

Joseph Desmond
Chairman, California Energy Commission

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Thank you...

Good morning. And welcome to the New Frontier Power Summit. This gathering is set to usher in a new vision, a new age of energy in the West.

In my remarks this morning, I'll speak about visionaries past, present and future, take on issues of energy leadership, and talk briefly about getting things done – by which I mean a focus on execution.

As you know, the history of visionaries in the American West is a long and illustrious history. Perhaps it's the Big Sky...the West's rugged individualism...the wide open spaces...or even California dreaming. Regardless, what true visionaries do – and have always done – is lead the way.

Leadership comes with the territory.

How else can we explain the triumph of infrastructure better known as the Transcontinental Railroad? Men such as Judah, Hopkins, Crocker, Huntington and Stanford had to overcome bedrock beliefs such as the widely held notion that humans weren't built to travel at speeds of 60 miles per hour. They had to grapple with inertia in some circles so intractable that, according to one Washington legislator, something so big wasn't worth starting at all. In the end, the Union Pacific and the Central Pacific Railroads literally raced each other for funding to a place called Promontory Point.

Leadership.

At last count, there were thousands of books, articles, white papers, websites, blogs and probably even an infomercial or two on the subject of leadership. Generally, these are focused on individual personality traits, outsized personalities or profiles of great companies.

So where does that leave us? What does it mean for a state as a political entity to assume the mantle of leadership, particularly when it comes to energy?

Today, particularly with respect to energy, leadership at the state level is alive and well and flourishing throughout the West. Everywhere you look, Big Ideas are elbowing other Big Ideas with increasingly regularity.

That said, qualities of leadership are truly embodied within state agencies, and those professionals tasked with implementing the policies that define our energy future.

I'll take it right down the line. A Control Area Operator leads by way of its technical competence and expertise...

A Regulatory Commission is charged with remaining impartial to help guide far-reaching decisions...

With its eye on the future, Policy-making Commissions must balance affordability, reliability and environmental protection...

In every state, Environmental Protection Agencies supply the tenacity, relying on science for the development and enforcement of environmental rules and regulations...

At the end of the day, each administration leads by combining these elements to create a vision for energy shared collectively across all agencies.

This is the quiet leadership. The day-to-day leadership. The leadership without which we are not permitted to entertain bigger ideas.

Ideas like the California Aqueduct. Say what you will about the behind-the-scenes machinations that led to its creation, the Aqueduct is an engineering feat, a triumph of gravity-defying infrastructure that transformed desert into agricultural paradise. Right now, we rely on it still to 'carry the water' – up to 315 million gallons on any given day.

That required vision.

Back to cases. What are our marching orders moving forward? In a macro sense, within a modern energy landscape rife with energy challenges and competing interests, what exactly is it that defines vision and leadership in our world?

Consider these...

We must rely on a foundation of principles that stand the test of time rather than falling victim to populism. We must be confident with and committed to the decisions we make.

We must follow the precepts of sustainability, transparency, openness and inclusion. The simple fact is, we can't afford to proceed any other way.

We must have the courage to make the big, difficult, momentous decisions that are critical to ensuring our future. This applies to everything from climate change or cleaner air to building new power plants.

We must display the willingness to 'talk the uncomfortable talk,' confronting challenges and discussing such issues – as divisive as they may seem – as clean coal and greenhouse gases. Only then can we hope to reach consensus and move forward.

We must act, and act decisively. In California, the ability to take the initiative and lead is made most manifest by the Million Solar Roofs initiative (also called the California Solar Initiative). By placing value on innovation, new industries, new jobs and new intellectual property are generated.

We must demonstrate our commitment to follow through on a promise. These days, that's most clearly expressed in my state by putting our money where our mouth is vis-a-vis energy efficiency. Not only has the state codified that energy efficiency is its first priority; we've committed \$2 billion over the next three years to make it happen.

We must identify where we need to be and define the path to reach it. What it will take is engineering. What it will take is shared belief. What it will take, quite frankly, is a leap of faith. Whether the subject is renewable energy or alternative transportation fuels, in the final analysis, genuine leadership and true vision require the willingness to take intelligent, calculated risks – and take action.

So there it is.

Ulysses S. Grant said, "Leadership is easy. Getting people to follow you is hard."

It's hard work. Point taken.

Yet, as the historical examples I reference this morning so profoundly reveal, it's work that must be done. There can be no gap between promises made and results delivered. Execution must be part of an organization's strategy, its fabric, its goals and its culture.

To put it another way, imagine life without the Hoover Dam.

Engineers far and wide considered its construction physically impossible. The visionaries in charge were having none of it. No risks, no Dam. Universally regarded as one of the seven wonders of modern civil engineering, the Hoover Dam was completed ahead of schedule and made possible such popular roadside attractions as Los Angeles, Phoenix and Las Vegas.

Execution is a systematic way of exposing reality and acting upon it

The realities are these: Renewable resources are remotely located, requiring the development of transmission.

They're often intermittent, which means cost-allocation is difficult and renewables can't absorb transmission costs on their own.

State agencies focused on execution must develop new tariff designs and incentives to combine wind and advanced coal to achieve greater integration in the grid.

Why should they do this? Because for a sustainable energy future for us and for posterity, they must...

Execution in this instance requires the development of goals, metrics and adaptive strategies.

Speaking of adaptive strategies, where would the Golden Gate Bridge be today without the will to execute...if the naysayers had held sway? The tides, they said, will rip you to pieces. The winds, they said, will tear it apart. And did we mention the sharks? Instead, chief engineer Joseph Strauss innovated like crazy, building the Golden Gate's South Pier in 100 feet of open water...something never before attempted...and a world-renowned landmark was born.

Threaded through environmentally-sensitive terrain, the Trans-Alaska Pipeline rightfully had environmentalists up in arms upon its completion in 1977. Today, nearly three decades later, it represents a critical source of energy and has turned in a sterling environmental record.

Sometimes, execution in the service of leadership requires the ability to do nothing, or simply to do no harm. John Muir, Abraham Lincoln and Teddy Roosevelt were hardly all three contemporaries, but their shared vision set aside the beauty of Yosemite National Park. Just as surely, the spirit of Muir, Lincoln and Roosevelt became the progenitor of environmental protection and landmark legislation to follow, such as the Endangered Species Act, the Clean Water Act, CEQA, NEPA, and on and on.

As I conclude this morning, I'm sure you're aware that a culture of execution is already in existence at the Power Summit.

I commend those visionaries in our midst today, specifically those organizations and states who yesterday announced their joint commitment to the Frontier Line transmission project.

They have demonstrated their leadership by supporting this project to conduct the engineering and economic analyses necessary to make the Frontier Line a reality.

Finally, who says bureaucrats can't at least have visionary leanings? The Department of Energy and FERC have been supporting advanced technology, renewable energy, fuel diversity and open transmission access for years. In my experience, these folks are equally dedicated to a clean, sustainable energy future and the infrastructure it takes to deliver it.

These are exciting times, rife with opportunities in the transmission of energy.

Let's approach these opportunities over the next two days the old-fashioned way, the way history's visionaries always have...with a shared vision, a bias toward action and a culture of execution.

Let's get to work.

Thank you.